

Exhibit 1



Department of Energy

Washington, DC 20585

January 24, 2024

Dominic J. Mancini
Deputy Administrator
Office of Information and Regulatory Affairs
Office of Management and Budget
Washington, DC

Subject: Cryptocurrency Mining Facilities – Request for Emergency Review and Clearance

Dear Dr. Mancini:

Pursuant to Office of Management and Budget (OMB) procedures established at 5 CFR Part 1320, Controlling Paperwork Burdens on the Public, I request that the proposed information collection project, "Proposed Emergency Survey – Cryptocurrency Mining Facilities" be processed as an Emergency Revision Request in accordance with Section 1320.13, Emergency Processing. I have determined that the information should be collected prior to the expiration of time period established under Part 1320. I am making this request under 1320.13.2.i because public harm is reasonably likely if normal clearance procedures are followed.

As evidence, the price of Bitcoin has increased roughly 50% in the last three months, and higher prices incentivize more cryptomining activity, which in turn increases electricity consumption. At the time of this writing, much of the central United States is in the grip of a major cold snap that has resulted in high electricity demand. The combined effects of increased cryptomining and stressed electricity systems create heightened uncertainty in electric power markets, which could result in demand peaks that affect system operations and consumer prices, as happened in Plattsburgh, New York in 2018.¹ Such conditions can materialize and dissipate rapidly. Given the emerging and rapidly changing nature of this issue and because we cannot quantitatively assess the likelihood of public harm, we feel a sense of urgency to generate credible data that would provide insight into this unfolding issue.

EIA has engaged in a rigorous evaluation of U.S. cryptocurrency mining activity using publicly available information. We estimate that cryptocurrency mining activity has grown rapidly over the last few years and currently represents as much as 2.2% of U.S. electricity consumption. As noted above, more localized concerns include strains to the electricity grid during periods of peak demand and the potential for higher electricity prices among consumers. Local media in states such as Georgia, New York and Texas, where cryptocurrency mining activity has seen comparatively high growth, have observed the positive correlation between cryptocurrency mining and retail prices. Furthermore, the economics of cryptocurrency mining are partly driven by the prevailing price of electricity. Given the modular nature of the mining equipment, mining companies are able to relocate quickly to new areas with lower electricity prices, which could further complicate the grid planning process. The North American Electric Reliability Corporation (NERC) indicates in their latest long-term reliability assessment that "due to

¹ <https://crsreports.congress.gov/product/pdf/R/R45863>



unique characteristics of the operations associated with cryptocurrency mining, potential growth can have a significant effect on demand and resource projections as well as system operations.”²

We have consulted with other federal agencies, including other DOE departmental elements, the U.S. Environmental Protection Agency, and the Department of the Treasury, but have not identified an authoritative data source of U.S. cryptocurrency mining energy consumption. Other government and industry efforts to determine the effects of cryptocurrency mining on the energy system have generally taken the form of studies, which lack the comprehensive, standardized, timely and consistent nature of a formal data collection. Data gathered during this emergency clearance will provide critical insight that informs our approach for the regular clearance process.

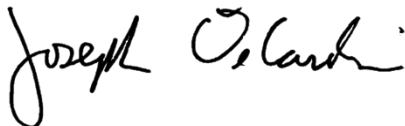
Due to the speed with which this activity has potentially disrupted the electric power industry, the time required to request data collection under normal clearance will exceed the need to urgently collect this information. This proposed emergency survey is necessary for EIA to fulfill its mission to provide timely data collection to promote sound policymaking, efficient markets, and public understanding of energy and its interaction with the economy and the environment. EIA has determined that the collection of information monthly is required to adequately monitor the effects of cryptocurrency mining.

EIA designed this survey as a company-level form that reports for company facilities. Companies, which have responsibility for the management of the facilities and often centralize resources, can participate in a more efficient reporting process without burdening individual facilities. EIA will field a survey of 82 cryptocurrency mining companies and are requesting they report basic information on the facilities they own and/or operate. EIA estimates that it will take each respondent 0.5 hours to complete the survey every month, resulting in a total burden estimate of 246 hours if OMB approves this emergency ICR for the maximum of 180 days.

We plan to publish the data described above following the completion of data collection. Publication would take the form of a series of articles presented on the EIA website. Publications would be released in the latter half of 2024.

With your emergency approval, EIA is ready to deploy the Cryptocurrency Mining Facilities survey on January 29, 2024. We commit to publishing a public notice about this information collection in the Federal Register within 30 days of approval. We appreciate your understanding of this urgent request and look forward to your response.

Respectfully,

A handwritten signature in black ink, appearing to read "Joseph F. DeCarolis". The signature is fluid and cursive, with a large initial "J" and a stylized "D".

Joseph F. DeCarolis
Administrator
U.S. Energy Information Administration

² https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_LTRA_2023.pdf